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SECRETARY WHITNEY'S VIEWS

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WASHINGTON, D. C., July 27.—Secretary Whitney has sent the following letter to Mr. George Quintard and the other gentlemen to whom Mr. John Roach made an assignment:

"At our interview in New York on Wednesday last you requested me to take into consideration the condition of each of the contracts between the Government and Mr. John Roach pending and incomplete, and in view of his assignment make some

with the whole subject. I assured you that I would do so and communicate the results after reaching Washington. As I view the matter the rule which governs individuals in these business transactions should govern the action of the Department. At all events, if there is a different rule proper to be applied I am not aware of it. My duty heretofore has seemed to be very simple and plain. It has been to insist upon the strict enforcement of contract obligations as inter-

quences; that it is the ordinary plain business method, a departure from which in a public officer can have no justification, and in like manner I know of no reason why the ordinary principle which associates merchants in dealing with each other, and in accordance with which generous consideration is extended ordinarily to an unfortunate business associate should not govern the action of the Department under similar circumstances.

The business method of dealing with the matter which would persuade the private parties would be first, to become satisfied that the assignment was in good faith, and then consider the best method from a business standpoint of bringing about a settlement of current and incomplete contracts upon a fair and just basis for both parties.

If I have the power, therefore, I will enter into the consideration with you of the point to which the contracts have been performed and endeavor to settle upon some just and fair basis for the disposal of the matters of this, as I informed you at our meeting. This course, instead

right under all considerations, is compulsory upon the Government in the present case. The very liberal treatment which the contractor has heretofore received has left the government without sufficient margin of monies reserved to enable it to protect itself in the present situation. The contract provided that 10 percent should be retained from the bills as they came due and held as security for the completion of the work. At the present the reservations

have been surrendered to the contractor under circumstances not important to consider with the exception of \$26,670. In addition to this small sum of \$26,670 in our hands there are unpaid bills for extras claimed on the ships amounting to \$20,688.95, and in dispute on the Dolphin \$20,945.08, altogether (mostly in dispute) \$88,304.03.

hands upon which over \$2,000,000 has been paid, which must be completed to be valuable, liable to greater deterioration by neglect than all the moneys unpaid and in dispute would repay. It is of the utmost consequence to the Government, as it is to yourselves, that a just settlement of the past transactions should be had and a new departure made.

I suggest as a practical method of arriving at a solution, a meeting of yourselves

IRON AND STEEL.

The Production of the Country for the First Half of the Year.

PHILADELPHIA, Pa., July 27.—The American Iron and Steel Association has received from the manufacturers complete statistics of the production of pig iron, and Bessemer and open-hearth steel in the United States in the first half of

1880, together with the statistics of the stocks of pig iron on hand and unsold at the close of that period: In the first half of 1885, the total production of pig iron was 2,150,816 net tons of 2,000 pounds, against 2,367,021 tons in the first half of 1884, and 2,622,892 tons in the second half. It will be observed that in the second half of 1884 more pig iron was produced than in the first half. The production of anthracite pig iron (dis-

In the first half of 1885, the production of all kinds of pig iron declined as compared with the last half of 1884. The stocks of pig iron on hand and unsold in the hands of makers or their agents at the close of the first half 1885, amounted to 692,916 net tons, against 593,000 tons at the close of 1884, and 433,800 tons at the

From the close of 1884 to the end of June last, charcoal stocks increased 27,908 tons, bituminous increased 45,506 tons, and anthracite decreased 40,388 tons, net increase 90,916 tons.

From these statistics the Secretary of the American Iron and Steel Association concludes that pig iron manufacturers, especially the Western bituminous makers, have been making too much pig iron during the past year, and the present year. The rolling mill troubles in the West are doubtless wholly responsible for the ac-

The production of Bessemer steel ingots in the first half year of 1885 was 763,544 net tons, against 723,650 tons in the second half of 1884, and 816,945 tons in the first

shows a gain of 39,094 net tons, which is due in part to the demand for Bessemer steel rails and other purposes. As compared with the first half of 1884, however, the first of 1885 shows a decrease of 53,601 tons. The production of Bessemer steel rails in the first half of 1885 was 52,446 net tons, against 323,551 tons in the first half of 1884, and 593,370 tons in the first half. The falling off as compared with the first six months of

with the second six months it was 70,905 tons. The production of open hearth steel ingots in the first six months of 1885 was 65,838 net tons, against 69,513 in the second half of 1884, and 71,744 tons in the first half.

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Distressing Railroad Accident:
ATLANTA, Ga., July 27.—At Sawdace, on the Richmond & Danville railroad, a

car from the track. In the car were fifteen negro train hands and six bars of iron. The car turned on its side and the iron fell upon the negroes, killing seven and wounding three more.